

**Joint Committee  
22<sup>nd</sup> November 2012**

**WORCESTERSHIRE REGULATORY SERVICES BUDGET 2013/4**

**Recommendation**

It is recommended that the Joint Committee:

- 1.1 Approve the proposed revenue budget 2013/14 of £5.626m.
- 1.2 Approve the proposed capital budget 2013/14 of £244k

**Contribution to  
Priorities**

The robust financial management arrangements ensure the priorities of the service can be delivered effectively.

**Introduction/Summary**

This report presents the proposed revenue and capital budgets for 2013/14 for approval by the Joint Committee.

**Background**

As defined in the legal agreement the revenue and capital budgets require approval by the end of November for any financial year.

The WRS Management Board have considered the proposed budget for 2013/14 and would recommend its approval to Members. Due to consideration of future years financial savings in a separate report this meeting it is proposed that only a one year budget be approved.

**Report**

Revenue Budget 2013/14

The current revenue budget for 2012/13 is £5.626m. This is a reduction on the revised 2011/12 budget of £6.008m and reflects a 22.57% reduction from the original participating Councils 2010/11 budgets. This exceeds the initial level of 15% and is due mainly to reduction in accommodation charges together with further restructures that have been implemented over the last 12 months.

It is proposed that the budget for 2013/14 remains at £5.626m. This will ensure that the service can recruit to the

vacant posts and continue to maintain current provision whilst considering further savings to be made in future years.

The detailed budget is shown on Appendix 1.

In relation to the 2013/14 revenue budget officers from Worcester City are continuing to work with WRS regarding their letter of 15th November 2011 in which Worcester indicated a desire to reduce expenditure from 2013/14. Officers are currently exploring the potential for a 1 year pilot of modified service standards that will result in a one off adjustment of Worcester City's contribution by approximately 6% for 2013/14. Further detailed work is required and more information will be brought back to members when appropriate. It is proposed that the stated 2013/14 revenue budget of £5.626m is maintained until the review of specific service standard for Worcester City is complete and reported to members.

As Members are aware there are significant financial challenges facing all Authorities and therefore all participating Councils will be reviewing their service provision and costs associated with all services to include WRS. Members will receive updates to this Committee to consider any proposed changes in the future to address the financial pressures facing all partners.

#### Capital Budget 2013/14

The phased implementation of the new management system will result in expenditure during 2013/14. This is detailed at Appendix 2 with the full system cost representing a reduction of £282k on previously estimated budgets.

Officers are currently reviewing the costs associated with software license costs relating to systems used by WRS across the County. It is anticipated that the annual revenue costs of £79k will only require funding from the partners for a period of 2 years due to old systems being replaced and the funding associated with these systems being utilised to fund the new system software and license charges.

The review of the charging basis and allocation of costs is underway with a report to be presented to the Joint Committee at the next meeting.

### **Financial Implications**

None other than those stated in the report

### **Sustainability**

None as a direct result of this report

### **Contact Points**

Jayne Pickering – 01527-881400

Cabinet – date of meeting

Page No.

